Appropriations Committee March 03, 2011

[AGENCY 23]

SENATOR HARMS: Appreciate it. Thank you very much for coming in. Is there anyone else who would like to speak on Agency 22? Seeing none, that will close Agency 22 and we'll open up Agency 23, Department of Labor. Is there anyone here that would like to testify? Welcome. Thank you very much for coming. [AGENCY 22]

CATHERINE LANG: Thank you very much, Senator Harms. And I'm a little late to fill this out but I will get it done. You guys moved very quickly through the other hearings. Senator Harms and members of the Appropriations Committee, my name is Catherine Lang, Catherine, C-a-t-h-e-r-i-n-e, Lang, L-a-n-g, and I'm the Commissioner of Labor for the state of Nebraska. The department has two programs for state budget purposes: Program 31, Division of Employment; and Program 194, Public Protection, Program 31 contains the major federal programs administered by the department. Our federal fund estimate for '11-12 is \$49,852,521. The major grants that fund these programs are: the Unemployment Administrative Grant for the administration of benefit payment and tax processing, including above-base earnings that are based on workload; the Wagner-Peyser Grant for the administration of employment services throughout the state; the Workforce Investment Act Grant for the administration of state level functions and administration and program costs for the three local areas in Nebraska; the BLS and LMI Grants, the Bureau of Labor Statistics and Labor Market Information Grants, for labor market information programs within the department; and several other grants for ARRA and competitively awarded grant opportunities, such as our syNErgy Grant. For 2011-13 biennial budget, the department rebuilt the federal funds appropriation estimate using current information and our best estimate of future grants for these programs. It's our intent to include all grant estimates so that we can provide an accurate estimate of our federal funds appropriation. Additionally, we have indicated a reduction in the amount of \$538,385 for the personal services limitation because, beginning no later than July 1 of 2011, the department will transfer the administration of the Greater Omaha Workforce Investment Act Program to the city of Omaha and Heartland

Appropriations Committee March 03, 2011

Workforce Solutions. We also ask that the personal services limitation be reduced by \$3.195.969 as requested in our budget submission and contained in the Governor's recommendation. This would reflect the several years of staffing reductions and realignments due to vacancy savings that I have made in the agency since I became the Commissioner in September of 2008. Program 194 contains the state law programs administered by the department, as well as one federal safety grant administered under OSHA, the Occupational Safety and Health Administration. The appropriation for Program 194 contains General, cash, and federal funds. These programs include conveyance inspections; amusement ride inspections; boiler inspections; labor standards programs including the following: general administration, contractor registration, an Employee Classification Act, farm labor contractors, non-English-speaking employees, wage and hour investigation, wage payment and collection, child labor law, veterans preference law, veterans reemployment law, lunch period law, wage garnishment law, workplace safety consultation law, medical examination law, high voltage law, employment agency law, service letter law, and general health and safety regulations, and then, lastly, the OSHA 21(d) Safety Consultation Program. In 2011-13 biennial budget, it shows a significant reduction to Program 194 cash fund appropriation. This reduction was based upon initial analysis of the department's proposals for what is now LB593 and LB594. The department requests some modification to the committee preliminary recommendation and a restoration of the cash fund appropriation of \$1,405,243 for both '11-12 and '12-13. Additionally, the Governor's recommendation and the committee preliminary recommendation includes a General Fund reduction of \$54,207 in the Labor Standards Program. However, the associated PSL reduction of \$36,169 was not included in the committee preliminary recommendation. We would not have sufficient funding available for other...from other funding sources to fund this position so we do request that the PSL be lowered as well. And with that, that includes my testimony, and I would be happy to answer any questions. I have also provided a copy of my testimony to our Legislative Fiscal Office analyst so that you have all of these numbers. [AGENCY 23]

Appropriations Committee March 03, 2011

SENATOR HARMS: Cathy, thank you for your testimony today. Senator Mello. [AGENCY 23]

SENATOR MELLO: Thank you, Senator Harms, and thank you, Commissioner Lang, for appearing today. You briefly touched on it and I'd like for you to be able to provide me with a little bit more feedback to the committee on one of the items that both was in the Governor's preliminary budget as well as the Appropriations Committee's preliminary budget, which is the elimination of a labor law specialist that would oversee or help implement what was known as LB563, the employee misclassification bill or misclassification law that the Legislature passed last legislative session. With that piece of legislation, I distinctly remember there was a fiscal note as well in which the Legislature provided additional cash fund authority for the department to hire an additional specialist, which as far as we know, and it's been conversations we've had in the committee, your agency has not hired that individual yet, and then we also have the elimination of this additional position. So my question would be, one, why hasn't the Department of Labor hired an additional labor law specialist with those additional cash funds we provided to implement LB563? And then, with the agency not doing that as well as with this elimination, how will LB563 be implemented? [AGENCY 23]

CATHERINE LANG: Okay. LB563, which is the Employee Classification Act, has been implemented by the department. We are using existing staff to operate that program. The fiscal note and the A bill that was passed for LB563 granted us additional cash fund appropriation amount for that program, and I'm going to go into, in just a moment, the analysis that we have gone through over the last six months to understand again some of our financial situations that have sort of come from our past into our present but we are resolving for our future. The reduction in this bill for the \$54,000 is in General Funds,... [AGENCY 23]

SENATOR MELLO: Okay. [AGENCY 23]

Appropriations Committee March 03, 2011

CATHERINE LANG: ... so it would not impact the Employee Classification Act. The Employee Classification Act is being administered and funded by cash funds in Program 194 under the labor standards umbrella. Let me give you a little history about what we've come to know within our agency regarding Program 194 and what happened and why didn't we fill that position. As we were building our biennial budget and then building the budget information for '10 and '11, we built those budgets based on some history. So the Program 194, which has General Funds, cash funds, and federal funds, used the appropriate amount for the appropriation of cash funds and then let the individual programs, and that would be boiler, conveyance including amusement rides, and contractor registration including Employee Classification Act, to build their budgets. As we built those budgets, we matched them back to the appropriation. There was something we didn't do that we have now done and we are getting ready to implement within our agency and that was these are cash fund programs, they have to live within the cash funds that they can bring in. They are self-funded. So we did an analysis of the revenue that these programs should generate--we call that internally a maximum revenue analysis--based on the maximum revenue that conveyances could bring in, including amusement rides, boilers could bring in, and contractor registration could bring in, remembering every time I say contractor registration I also mean employee classification but there's no revenue source for that. We then did an analysis that said if they could all bring in their maximum revenue and then we applied that back against the appropriation, based on their proportionate share what should each program have been limited to in terms of its budget. And what we learned through this analysis is that we had honestly, within Program 194, underappropriated funds for boilers, overappropriated funds for conveyances, and very closely had appropriated the right number of funds for the contractor registration. But there was another way to look at that, and the first way is we took the entire appropriation and divided it among the three programs. The other way was to say to ourselves, my goodness, we were just given \$98,000 to run Employee Classification Act, we know there's going to be an expectation that we're doing something in that area, so we ran the analysis a different way. We took the original cash fund appropriation, which was closer to \$1.3 million, allocated it among

Appropriations Committee March 03, 2011

the three programs, and then added \$98,000 to...for the purposes of the Employee Classification Act, added that to the contractor registration. And what we discovered is that we matched and slightly exceeded the maximum revenue we would bring in, and we said to ourselves we can't divide the appropriation that way. It will not be able to sustain itself. So we went back to the original amount and, therefore, what we discovered is that in terms of establishing a budget and staffing for the contractor registration and Employee Classification Act that we had already expended or budgeted for that appropriation amount. [AGENCY 23]

SENATOR MELLO: So it's safe to say then after you did your budget analysis that there was not enough cash funds then to fund the position that you put in the fiscal note when we passed LB563? [AGENCY 23]

CATHERINE LANG: That is correct. [AGENCY 23]

SENATOR MELLO: Did you at any point in time after this was, I guess, actualized by the agency, provide any of this information to Senator Lathrop, who was the primary introducer of LB563 and the Chairman of Business and Labor Committee, or anyone on this committee regarding that, whether you want to call it an oversight or an undersight, so to speak, of I guess, I don't know any way to say I guess, of an error on the projected fiscal note when we passed that legislation? [AGENCY 23]

CATHERINE LANG: No. We are doing that now because, quite honestly, all of this information has just recently come together within our agency. [AGENCY 23]

SENATOR MELLO: Okay. So as you were explaining trying to help kind of, I guess, move from the past to the present to the future, essentially what you're explaining to this committee today and then, thus, to the Legislature as a whole is that LB563 has no real...as passed right now, there is no additional staff, no additional cash funding authority that your department is putting towards it, even though the manner in which

Appropriations Committee March 03, 2011

you chose to consolidate or essentially put all or pool all of these cash funded monies together, you're not going to essentially prioritize LB563... [AGENCY 23]

CATHERINE LANG: Well, and...and... [AGENCY 23]

SENATOR MELLO: ...or...I should refer to Employee Classification Program? [AGENCY 23]

CATHERINE LANG: Actually, in terms of our implementation, what we have done is gone through and assured that our staff, who is not only responsible for assuring that the Contractor Registration Act is properly enforced but, at the same time then, is responsible for ensuring that the Employee Classification Act is enforced. And so what we are imposing upon our staff is to assure that they are not just sitting in our offices waiting for people to come in and register for the Contractor Registration Act, which was our prior practice. We are saying, you need to be out in the field, you need to be going to job sites, you need to be reviewing what's going on because, one, you will find...you may find contractors that are not registered, therefore, they need to register under the Contractor Registration Act. And it gives us much greater exposure for finding out whether or not we have misclassified employees on the work sites that they are inspecting. I also want to state that we have other mechanisms that we have been utilizing within the Department of Labor for a number of years to discover misclassified workers, and one of those areas is in our unemployment tax area and we are now, under the reports that are required by federal law, reporting information on misclassified workers. The United States Department of Labor has added to our performance standards and our reports that we file with them, so that they can assure that we are achieving the required performance standards, they have added misclassified worker information. I will give you a couple of examples, three examples about the way the department utilizes our unemployment insurance tax staff to look at misclassified workers. One of those is what's called the blocked claim. I, as an unemployed person, file a claim and I say, gosh, I've been working for XYZ Corporation, I've been paid

Appropriations Committee March 03, 2011

wages, I should then be qualified for benefits. If there are no wage reports from XYZ Corporation for Cathy Lang, that claim is blocked. That blocked claim is then provided to our unemployment insurance tax staff, who then go out and investigate that. We have found many misclassified workers through that process. The other method is through our audits and this is the piece that is added to the performance standards by U.S. DOL and that is we are out doing our normal unemployment insurance tax audits and we investigate whether or not these employees are properly classified. The third way, and the Department of Labor, the Nebraska Department of Labor has been utilizing the 1099 file provided to us by the Internal Revenue Service to review the 1099 file to determine whether or not we...if there are misclassified workers through that review process, and we have found many over the years, since 2002, individuals that have been improperly classified as contractors and have then worked that through our process. [AGENCY 23]

SENATOR MELLO: What...since LB563, I should say since the passage of that legislation, if your unemployment tax staff is doing this, how many...I mean, and you identify employees or workers, so to speak, who have been misclassified, has the department been diligently going after those who employed them then in regards to providing that fine that is part of LB563? And how successful has the department been then in regards to finding those employers guilty of misclassifying their employees? [AGENCY 23]

CATHERINE LANG: Some of the employees that we discover are not covered by the Employee Classification Act. The Employee Classification Act is focused on contractors so there would not be an associated Employee Classification Act fine. I did not think through that question and I will go back and find out, if any have been contractors, have we assured that we have collected that fine one the other side. [AGENCY 23]

SENATOR MELLO: Because that fine...and maybe I'm mistaken, where does that fine go if collected? [AGENCY 23]

Appropriations Committee March 03, 2011

CATHERINE LANG: I cannot answer that but I can get that for you. I don't have it right here. [AGENCY 23]

SENATOR MELLO: Do you see...I guess part of the reason why I ask these questions is I see a bit of, I don't know if it's a bit of frustration or I just...I'm not able to connect the dots in the sense of your agency is saying that there's not enough cash funds to hire or provide what the Legislature intended with LB563, was an additional staff person... [AGENCY 23]

CATHERINE LANG: Uh-huh. Uh-huh. [AGENCY 23]

SENATOR MELLO: ...to implement the Employee Classification Program but...in Program 194, but you, as an agency listed one of your own potential modifications as eliminating a labor law specialist who, at least on our information that we're provided, that labor law specialist is available to work on multiple program within Program 194, including employee classification, boiler inspection, whatever you as an agency so deem them to do. [AGENCY 23]

CATHERINE LANG: Actually, not true. Under Program 194, what we have done is we've gone in and looked at the funding sources. So we have General Funds, and the General Funds are used then for two purposes. One is to do the match for the OSHA 21(d) Grant, approximately \$61,000. The remainder of those...excuse me, wrong fund, the reminder of those General Funds then is dedicated to the labor standards portion but not contractor registration or misclassified worker because those funding sources, those General Funds, have been provided to run all of those other labor standard programs that I mentioned. The cash fund appropriation, which is a lump sum, is actually used by three distinct programs: boilers to their fair share, elevators to their fair share, and contractor registration to their fair share. When the Employee Classification Act was discussed and the conversation was had about how to fund it, there was concern about moving forward with the idea of General Funds, so the concept was put

Appropriations Committee March 03, 2011

forward, then let's grant additional funds. You're absolutely right. If I knew today what I knew a year ago I would have offered...I would have provided completely different information at that time. Now the other thing that certainly could be considered is, should there be a specification of the General Funds for Employee Classification Act, not increasing the General Fund appropriation but specifying the use of the General Funds for a particular program? [AGENCY 23]

SENATOR MELLO: Legislative intent, legislative intent of General Funds. [AGENCY 23]

CATHERINE LANG: There you go. And then lastly, there's that piece of federal funds in Program 194 which is used for the OSHA 21(d) program. [AGENCY 23]

SENATOR MELLO: So you're...so by eliminating this labor law specialist, what programs will suffer then under the Labor Standards Program? [AGENCY 23]

CATHERINE LANG: The programs that would then suffer under the Labor Standards Programs are those that I listed under labor standards except or not including contractor registration and Employee Classification Act. So items such as wage and hour investigation, wage payment collection, child labor laws, veteran preference laws, veterans reemployment, those programs that I listed. [AGENCY 23]

SENATOR MELLO: Okay. I guess one last question I have then on--and actually I won't ask it on LB563--on a separate issue, being from the metropolitan area, I know that the Department of Labor, as you mentioned, is transferring the WIA Program essentially back to the city of Omaha. It's been my understanding, through conversations with those who are involved in this transfer program in the city of Omaha, that there has been some trouble in regards to identifying and locating and being given the appropriate amount of paperwork and information regarding how this program has been administered by the state since the city relinquished the program to the Department of Labor, I don't even know what, five, four, five, six years ago. [AGENCY 23]

Appropriations Committee March 03, 2011

CATHERINE LANG: Five or six years ago. [AGENCY 23]

SENATOR MELLO: Has that issue been resolved at all between the city of Omaha and the Department of Labor. Is the department providing the city every single document that they have requested? And I know it's...I hear it from multiple sources within the greater metropolitan area and I haven't, since session started, I haven't heard kind of an update, so maybe you can provide that to at least my Omaha colleagues, I know who probably will hear more about it in the future. [AGENCY 23]

CATHERINE LANG: We are in the process of working through the transfer of this local program back to local operation, and as we have...and we met in the...I want to say January of '09 with the mayor's office to talk about the fact that when this contract was up or this interlocal agreement was up on 6/30/11, that the program would transfer. We knew from our experience of the program coming to us that this transfer process would be, one, a lot of work, take a lot of effort, make sure everybody was on the same page. As the city was shaping the direction that it wanted to go with its program, it, in October, had chosen an entity, a nonprofit entity, who was going to be the administrator of the program and the one-stop operator. Then they went through a process of then doing a request for proposal to bid out the adult and dislocated worker component of the program. Youth program is another one that will ultimately have to go out for competitive bid. We have been having weekly meetings over the last four weeks. We will continue those meetings for another four to six weeks or more until everything has moved forward. As we were working on this transfer, there was an awful lot of conversation about should the program transfer on October 1, would it be great if the program could transfer on January 1, so on and so forth. Knowing all along that the program would...that it would probably work for all concerned to transfer the program earlier rather than the last day, we've now moved that date to April 1. And then there's a lot of those small little issues that have to be resolved as we move to that date: inventories and leases and the MOUs that we had that we had to terminate that they

Appropriations Committee March 03, 2011

now need to pick up and run with. One of the biggest issues is the finances and what I can tell you is, as the Department of Labor has been working through to correct its past, it has done an awful lot of work to completely tear down its former accounting structure and start with a new structure. We have been fortunate that a year and a half ago we hired a controller who came to us miraculously with the kind of background in coming in and fixing problems in other entities that she worked for, and she's now working through that with us. And as she came on board and understood a lot of the work that needed to be done, we came to a conclusion last summer that as we were building the biennial budget and as we were moving forward, that would be the most appropriate time to start a new chart of accounts. I will tell you that her perspective, her professional perspective is it would have been better another year later. However, with the timing of the biennial budget and trying to move forward, we decided to go ahead and create a new chart of accounts on July 1 of '10. And what that meant, especially in a program like WIA, which is very, very complicated in terms of the grants and the siloing of the funds that come through to the state and go out to the locals, it has been our most difficult issue. We ultimately had a short-term contract with an outside accounting firm to come in, and this was...it ended about two weeks ago but they were with us about three to four weeks, of helping to get all of...you have to walk back to July 1 of '10 and understand that the way the agency had treated these streams of funds that were coming from the feds is, while youth was segregated as youth, it was never segregated as PY '08, PY '09, PY '10. And so the agency lacked a clear understanding of when it was moving from one grant year to the next grant year to the next grant year. And so we are starting, as of 7/1/10, with assuring that we know when we're talking--because this is three-year money--when we're talking about PY '08 funds, are they expended; now we're starting PY '09 funds, are those expended; when do we start PY '10 funds, when are those expended, and working through that process. WIA is the most complex. WIA is the program that we're transferring to the city of Omaha and HWS. We have been working with their fiscal agent to provide them with the information that they need. The one benefit is that we know, for example, PY '10 started on 7/1/10, so we received PY '10 funds as of that day. We did not start expending PY '10 funds until, Debbie Kay, approximately October?

Appropriations Committee March 03, 2011

[AGENCY 23]

DEBBIE KAY WARD: It depends upon the program, but yes. [AGENCY 23]

CATHERINE LANG: Approximately of October. So the one thing that the city and HWS can be clear on is that they will ultimately operate on full, you know, full funds for each of the program years going forward. We are working to transfer to them and get to them all of the information that they have requested but, yes, it has been very slow and it has been very frustrating for all of us. [AGENCY 23]

SENATOR MELLO: And I understand the frustration, I know, in the sense of potentially some of these standards and protocols and mechanisms were put in place before you time as Commissioner of Labor. One of the concerns I think I've heard, though, in this transition from the state back to the local entity is whether or not the funds that were designated for certain programs within the three-year periods were segregated for those programs, that those weren't intermingled with other funds that were not, let's say, put into a general pot that the money then was disbursed out. In a sense, that money that might have been designated for the tri-county area instead went to the greater Nebraska area or the Lincoln area. That is a concern that I've heard from... [AGENCY 23]

CATHERINE LANG: That has absolutely not happened. [AGENCY 23]

SENATOR MELLO: Okay. [AGENCY 23]

CATHERINE LANG: That has absolutely not happened. [AGENCY 23]

SENATOR MELLO: Okay. [AGENCY 23]

CATHERINE LANG: I can guarantee that. I can't tell you over a year's period of time,

Appropriations Committee March 03, 2011

multiple years' period of time when did we start spending particular funds of a year of a grant, but I can absolutely tell you that those funds were not crossed between the local areas or the state or at all, at all. [AGENCY 23]

SENATOR MELLO: Thank you. [AGENCY 23]

CATHERINE LANG: Yeah. [AGENCY 23]

SENATOR HARMS: Thank you, Senator Mello. Senator Conrad. [AGENCY 23]

SENATOR CONRAD: Great. Thank you, Commissioner Lang. Appreciate your testimony. It's Commissioner, right, not director? [AGENCY 23]

CATHERINE LANG: Yes, it is. Yes, thank you, Senator Conrad. (Laugh) [AGENCY 23]

SENATOR CONRAD: Okay, I was just asking John Wightman. I couldn't remember if it was director or Commissioner, and I didn't want to give you the inappropriate title. [AGENCY 23]

CATHERINE LANG: That's okay. [AGENCY 23]

SENATOR CONRAD: Okay. Very good. I wanted to go back to the line of questioning that Senator Mello started on the issues surrounding contractor registration and misclassification. What seemed to me during the course of your dialogue there is...and the work on the enabling legislation over the past few years and few sessions is I don't really think that there's any sort of a values problem at the heart of where we are today, but when it comes to implementing that policy I think it might be most helpful for me, as an Appropriations Committee member, to know in an ideal world what does your department need to carry out all of those important functions? I understand that you have budget directions and exercises and parameters to comply with, but I think it would

Appropriations Committee March 03, 2011

be helpful to know, to know what that would look like so that we can be helpful in giving you the resources that you and your team need to carry out your important functions. And so I don't know if that's possible if you could provide that later on, but before we finalize the budget that might be of interest to this committee and other members of the Legislature. [AGENCY 23]

CATHERINE LANG: That's great. I will look at that. I will tell you right now that as we are working through...as we worked through building this budget, as we are trying to bring our house into greater and greater financial compliance with the rules and requirements that we know we have, that will become clearer. I would have to say at this point we believe we have the resources necessary to carry out the functions that have been delegated to us by the Legislature, but thank you for that. And as we look at that, if we discover that, I'd be happy to bring that forward. [AGENCY 23]

SENATOR CONRAD: That would be great. And I think that what generated some of this initial dialogue, at least within our preliminary committee discussions, just so that you're aware is...and I'm sure you have seen it and your team has as well, but there's been some media coverage surrounding a comparison with Iowa, for example, in terms of how they've implemented similar policies and funded enforcement thereof, and how that indeed has been important for a variety of reasons, one in terms of generating revenue and then also in ensuring that unscrupulous employers are not exploiting workers, [AGENCY 23]

CATHERINE LANG: Uh-huh. [AGENCY 23]

SENATOR CONRAD: ...whether they be documented, undocumented, what have you. And so it touches on so many important public policy areas that I think we all really wanted to ensure that you have the resources that you need to fully and fairly enforce all of those stated obligations. And so I don't know if your...has your...anybody in your department had an opportunity to maybe visit wit your counterparts in lowa or

Appropriations Committee March 03, 2011

elsewhere to see kind of how they've modeled their program or how we can improve ours? And ours is very new so I anticipate at this point we don't have a laundry list of enforcement actions and fines levied and it's still kind of a work in progress. Is that right or...? [AGENCY 23]

CATHERINE LANG: Well, one of the interesting things about the lowa program, you're right, their program is new. You're right, our Employee Classification Act has just begun; however, I will tell you that within the unemployment insurance tax division, our enforcement has been very aggressive, probably more aggressive than a lot of other states in terms of seeking out and finding and enforcing the unemployment provisions related to misclassified workers. For example, when I mentioned the 1099 tape, Nebraska was one of the first states to utilize that 1099 tape from the IRS for that exact purpose, and it took a lot of years for many other states to get to that same point. The other thing, though, that happened last year was the assurance that the Department of Labor and Department of Revenue work together in terms of information discovered and then shared, and I can guarantee you that that is happening. [AGENCY 23]

SENATOR CONRAD: That's great. I appreciate that update. Thank you so much. [AGENCY 23]

CATHERINE LANG: You bet. [AGENCY 23]

SENATOR HARMS: Thank you, Senator Conrad. Do we have any other questions for the Commissioner? Senator Mello. [AGENCY 23]

SENATOR MELLO: Commissioner, in reviewing your agency efficiency review plan, I have to admit that it's less than informative in regards to a lot of the programs or potential reforms that your agency could look at, compared to even some of the other code agencies that were in front of us today who provided, I think, a significantly more amount of information. One thing, though, if you could

Appropriations Committee March 03, 2011

provide this committee would be the list of mandates and requirements. That's something that is an educational tool for the Legislature to understand what all mandates are currently put on the Department of Labor and/or requirements. Would be very helpful for us in regards to possibly eliminating those mandates or requirements that would help you maybe be a bit more efficient as an agency and help maybe reduce your workload. [AGENCY 23]

CATHERINE LANG: And you're speaking from a state law perspective. [AGENCY 23]

SENATOR MELLO: State, yes, state law and/or rules and regulations. Assuming that the department has to do a significant number of rules and regulations, primarily probably for federal dollars, it be very helpful for us to get that information as well. [AGENCY 23]

CATHERINE LANG: Okay. And as we worked on that, you know, it was...it was interesting from the perspective of the Department of Labor to complete that report because I have experience from agencies that are General or cash funded from a state perspective. And so much of what we do is tied to our federal requirements. We are 95-96 percent federally funded and we have performance standards for our labor market information, we have performance standards for employment services. For all of the grants that we receive, we have federal performance standards and requirements. What we have done in terms of implementing our regulations and our processes is all in compliance with those for 95 percent of our operations. [AGENCY 23]

SENATOR HARMS: Thank you, Senator Mello. Do we have any other questions? Commissioner, thank you for (inaudible). [AGENCY 23]

CATHERINE LANG: Thank you very much. [AGENCY 23]

SENATOR HARMS: Do we have anyone else left to speak on behalf of Agency 23,

Appropriations Committee March 03, 2011

Department of Labor? Seeing none, that will close the hearing on Agency 23. We'll open the hearing on Agency 87, Political Accountability and Disclosure Commission. [AGENCY 23]